

On page 6, line 19, please replace "(a)-(d)" with A-D

On page 7, line 24, please replace "(a)" with --7A1--.

On page 7, line 25, please replace "(b)" with --7A2--, "(c)" with --7A3-- and "(d)" 7A4--.

On page 8, line 3, please replace "(a)" with --7B1--, "(b)" with --7B2--.

On page 8, line 4, please replace "(c,d)" with --7B3, 7B4-- and "(e)" with --7B5--

On page 8, line 7, please replace "(a)" with --A--.

On page 8, line 9, please replace "(b)" with --B--

On page 8, line 10, please replace "(c)" with --C-- and "(a)" with --A--

On page 8, line 12, please replace "Fig 8-2" with --Fig 8D--

In the claims:

Please cancel claims 1-56 and add new claims 57-81

Sub 24 57. A method of stimulating a population of undifferentiated mammalian mesodermally derived cells to undergo at least one of hematopoiesis, endothelial cell differentiation and proliferation, comprising:

- (a) providing a first compound selected from the group consisting of hedgehog and WNT and optionally a second compound comprising a TGF- β ; and
- (b) contacting the cells with the one or more compounds so as to stimulate the cells to undergo at least one of hematopoiesis, endothelial differentiation and endothelial proliferation

58. A method according to claim 57, wherein the hedgehog compound is selected from the group consisting of Indian hedgehog, Desert hedgehog and Sonic hedgehog compound.

59. A method according to claim 57, wherein the compound is an Indian hedgehog compound.

60. A method according to claim 57, wherein the TGF- β compound is a bone morphogenetic protein.